Service Date: December 17, 2002

DEPARTMENT OF PUBLIC SERVICE REGULATION BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MONTANA

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| IN THE MATTER OF 3 RIVERS TELEPHONE |) UTILITY DIVISION |
|--|------------------------|
| COOPERATIVE, INC., Petition for Designation |) |
| as an Eligible Telecommunications Carrier in) | DOCKET NO. D2002.8.105 |
| the Conrad, Montana, Exchange |) ORDER NO. 6469 |

FINAL ORDER

- 1. On August 30, 2002, 3 Rivers Telephone Cooperative, Inc. (3 Rivers), filed before the Montana Public Service Commission (PSC) an application for designation as an eligible telecommunications carrier (ETC) in Qwest Communications, Inc.'s, Conrad, Montana, exchange. On September 26, 2002, the PSC issued public notice of 3 Rivers' request. Intervention and comment were due by October 24, 2002. No person has requested intervention or filed comments.
- 2. Subject to the terms of this final order, the PSC determines that 3 Rivers should be designated an ETC and thereby be eligible for universal service funds for service in the Conrad exchange.
- 3. In accordance with § 69-3-840, MCA, § 214(e) Telecommunications Act of 1934, as amended, and 47 C.F.R. § 54, 3 Rivers offers the covered services in the Conrad service area through either facilities-based operations or a combination of facilities-based and resale and advertises the availability of services through generally distributed media and designation is consistent with the public interest, convenience, and necessity. The covered services include voice-grade access to the public switched network with some usage; dual-tone multi-frequency signaling or its functional equivalent; single-party service or its functional equivalent; access to emergency services including 911 or enhanced 911; access to operator services, interexchange

service, and directory assistance; and toll limitation.

- 4. 3 Rivers provides all of these services to current customers and will continue to offer these services to all customers in the Conrad exchange after designation as an ETC. 3 Rivers has made investments in facilities to serve the community. 3 Rivers must accept obligations as an ETC regarding construction of new facilities according to customer selection of carriers and subject to the selected carrier's construction policies or tariffs. 3 Rivers states that it may provide service to some customers through resale. 3 Rivers has provided examples of its local newspaper advertising for its services. 3 Rivers has made a commitment to serve customers requesting service within the service area if ETC status is granted. 3 Rivers is already serving customers within the Conrad exchange and is an established operation with experience in this state. 3 Rivers has demonstrated a commitment in providing service to customers by establishing a regional office and personnel. 3 Rivers meets, at the least, the minimum conditions established for ETCs by state and federal law.
- 5. 3 Rivers shall provide the PSC with a short report on its advertising activities (including targeting low income customers for lifeline and link up) in the Conrad service area at the end of its first year of ETC designation. The report must include copies of advertising with a description of how and when the advertising was distributed. At that time, the PSC will determine if any additional reporting, annually or otherwise, would be beneficial. 3 Rivers must also comply with all applicable federal requirements imposed on ETCs regarding telecommunications lifeline and link-up programs, including publicizing of the availability of lifeline and link up. See e.g., 47 C.F.R. §§ 54.405 and 54.411.
- 6. ETC certification is an annual requirement. The PSC requests that applications to the PSC for annual certification to the Federal Communications Commission (FCC) be filed well

in advance (e.g., 30 days) of the certification deadline (currently October 1, each year). FCC universal service orders anticipate that states will take appropriate steps to account for the receipt of high cost funds and ensure that support is being applied consistent with law. States also have flexibility in deciding how ETC-designated carriers use the support provided. The PSC has initiated a proceeding, the purpose of which may include a determination of how ETCs will apply high cost universal service funds attributable to the Montana jurisdiction.

7. The application of 3 Rivers Telephone Cooperative, Inc., for designation as an eligible telecommunications carrier in the Conrad, Montana, exchange is hereby approved.

Done and dated this 10th day of December, 2002, by a vote of 5-0.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION

| | GARY FELAND, Chairman |
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| | JAY STOVALL, Vice-Chairman |
| | BOB ANDERSON, Commissioner |
| | MATT BRAINARD, Commissioner |
| | BOB ROWE, Commissioner |
| ATTEST: | |
| Rhonda Simmons Commission Secretary | |
| (SEAL) | |

NOTE: Any interested party may request the Commission to reconsider this decision. A motion to reconsider must be filed within ten (10) days. <u>See</u> 38.2.4806, ARM.